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Attorneys for Payson Water Company

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION
OF PAYSON WATER COMPANY FOR
APPROVAL OF A WATER
AUGMENTATION SURCHARGE TARIFF
(MESA DEL CABALLO SYSTEM)

DOCKET NO: W-03514A-10-0116

IN THE MATTER OF THE NOTICE OF
FILING OF PAYSON WATER COMPANY'S
PROPOSED CHANGES TO ITS
CURTAILMENT TARIFF (MESA DEL
CABALLO SYSTEM)

DOCKET NO: W-03514A-10-0117

**MOTION FOR EXTENSION OF
TIME TO COMPLY WITH
DECISION NO. 71902**

Payson Water Company, Inc. ("Payson Water") hereby files this Motion for Extension of Time to Comply with Decision No. 71902 in the above-captioned matter. On September 28, 2010, the Arizona Corporation Commission ("Commission") granted Payson Water emergency rate relief in Decision No. 71902. The one remaining compliance requirement is for Payson Water to file an application for permanent rate relief by September 27, 2011. For the reasons set forth below, Payson Water respectfully requests that the deadline to file an application for permanent rate relief be extended approximately 120 days to January 31, 2012.

The emergency rate relief granted by the Commission in Decision No. 71902 was the approval of Payson Water's current Interim Water Augmentation Surcharge

1 ("Surcharge"). This Surcharge is designed to allow Payson Water to recover its costs of
2 supplementing water supplies for its Mesa Del Caballo system between the months of
3 May and September each year. These costs are merely passed through to the end-user,
4 and do not include the recovery of any administrative costs, nor does it provide Payson
5 Water with any excess funds or profit. In order to provide an accurate accounting of the
6 costs for supplemental water supplies, Payson Water will need information and data
7 through the 2011 season when water augmentation was necessary – including all water
8 augmentation that occurs in September, 2011. In addition, Payson Water has been
9 required to augment the Mesa Del Caballo system with water supplies outside the time the
10 Surcharge is in effect (i.e. January and February 2011), and expects further water
11 augmentation will be necessary after September 2011. These costs are not currently
12 recovered from ratepayers.

13 Payson Water asserts that a 2011 test-year will provide the company and the
14 Commission with the full and complete information necessary to provide a basis for
15 permanent rate relief. By contrast, using a test-year ending June 30, 2011 will not allow
16 Payson Water to present the Commission with its most recent annual cost for water
17 augmentation to be included in the rate application. Furthermore, a 120-day delay should
18 not have a negative impact on Payson Water customers; in fact, it would delay any rate
19 increase that may result from the rate application. As such, Payson Water believes that
20 granting its request for delay is in the public interest, and urges the Commission to grant
21 such approval.

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23 ...

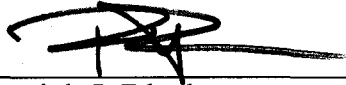
24 ...

25 ...

26 ...

1 RESPECTFULLY SUBMITTED this 8th day of September, 2011.

2 FENNEMORE CRAIG, P.C.

3
4 By: 
5 Patrick J. Black
6 Attorneys for Payson Water Company

7 **ORIGINAL** and 13 copies filed
8 this 8th day of September, 2011, with:

9 Docket Control
10 Arizona Corporation Commission
11 1200 West Washington Street
12 Phoenix, Arizona 85007


13 **COPY** hand-delivered
14 this 8th day of September, 2011, to:

15 Marc E. Stern, ALJ
16 Hearing Division
17 Arizona Corporation Commission
18 1200 West Washington Street
19 Phoenix, Arizona 85007

20 Kimberly Ruht, Esq.
21 Legal Division
22 Arizona Corporation Commission
23 1200 West Washington Street
24 Phoenix, Arizona 85007

25 **COPY** mailed
26 this 8th day of September, 2011, to:

27 Mesa Del Water Committee
28 c/o El Caballo Club, Inc.
29 8119 Mescalero
30 Payson, Arizona 85541

31 By: 

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